

ČEZ, a. s.

SEPARATE FINANCIAL STATEMENTS

PREPARED IN ACCORDANCE WITH
INTERNATIONAL FINANCIAL REPORTING STANDARDS
AS OF MARCH 31, 2023

ČEZ, a. s.
BALANCE SHEET
AS OF MARCH 31, 2023

In CZK Millions

	March 31, 2023	December 31, 2022
ASSETS:		
Plant in service	526,071	514,654
Less accumulated depreciation and impairment	(300,560)	(287,171)
Net plant in service	225,511	227,483
Nuclear fuel, at amortized cost	10,928	11,873
Construction work in progress, net	14,916	13,473
Total property, plant and equipment	251,355	252,829
Restricted financial assets, net	15,707	15,215
Other non-current financial assets, net	173,208	157,686
Intangible assets, net	1,325	1,143
Investment properties, net	434	437
Deferred tax assets	-	47,885
Total other non-current assets	190,674	222,366
Total non-current assets	442,029	475,195
Cash and cash equivalents, net	85,173	33,012
Trade receivables, net	92,855	169,773
Materials and supplies, net	9,589	16,028
Fossil fuel stocks	1,748	300
Emission rights	23,060	21,216
Other current financial assets, net	176,876	304,894
Other current assets, net	20,601	8,582
Total current assets	409,902	553,805
Total assets	851,931	1,029,000

ČEZ, a. s.
BALANCE SHEET
AS OF MARCH 31, 2023

continued

	March 31, 2023	December 31, 2022
EQUITY AND LIABILITIES:		
Stated capital	53,799	53,799
Treasury shares	(1,334)	(1,334)
Retained earnings and other reserves	169,755	145,975
Total equity	222,220	198,440
Long-term debt, net of current portion	136,218	132,739
Provisions	125,674	122,067
Other long-term financial liabilities	18,782	38,659
Deferred tax liability	5,877	-
Total non-current liabilities	286,551	293,465
Short-term loans	31,140	52,933
Current portion of long-term debt	5,610	8,034
Trade payables	48,235	76,525
Income tax payable	14,971	15,117
Provisions	27,298	21,515
Other short-term financial liabilities	207,799	358,311
Other short-term liabilities	8,107	4,660
Total current liabilities	343,160	537,095
Total equity and liabilities	851,931	1,029,000

ČEZ, a. s.
STATEMENT OF INCOME
FOR THE THREE MONTHS ENDED MARCH 31, 2023

In CZK Millions

	1-3/2023	1-3/2022
Sales of electricity, heat and gas	66,561	50,365
Sales of services and other revenues	2,661	2,700
Other operating income	121	4,414
Total revenues and other operating income	69,343	57,479
Gains and losses from commodity derivative trading	1,865	13,038
Purchase of electricity, gas and other energies	(22,349)	(21,143)
Fuel and emission rights	(9,885)	(9,490)
Services	(1,979)	(1,784)
Salaries and wages	(2,044)	(1,905)
Materials and supplies	(570)	(490)
Capitalization of expenses to the cost of assets and change in own inventories	44	38
Depreciation and amortization	(4,782)	(4,257)
Impairment of trade and other receivables	43	(2)
Other operating expenses	(10,544)	(379)
Income before other income (expenses) and income taxes	19,142	31,105
Interest on debt, net of capitalized interest	(2,771)	(1,098)
Interest on provisions	(1,575)	(556)
Interest income	2,037	546
Impairment of financial assets	54	(5)
Other financial expenses	(288)	(2,375)
Other financial income	1,436	428
Total other income (expenses)	(1,107)	(3,060)
Income before income taxes	18,035	28,045
Income taxes	(11,659)	(5,333)
Net income	6,376	22,712

ČEZ, a. s.
STATEMENT OF COMPREHENSIVE INCOME
FOR THE THREE MONTHS ENDED MARCH 31, 2023

In CZK Millions

	<u>1-3/2023</u>	<u>1-3/2022</u>
Net income	6,376	22,712
Change in fair value of cash flow hedges	47,726	(41,713)
Cash flow hedges reclassified to statement of income	10,708	14,669
Change in fair value of debt financial instruments	409	(536)
Deferred tax related to other comprehensive income	<u>(41,985)</u>	<u>5,240</u>
Net other comprehensive income that may be reclassified to statement of income or to assets in subsequent periods	<u>16,858</u>	<u>(22,340)</u>
Total comprehensive income, net of tax	<u><u>23,234</u></u>	<u><u>372</u></u>

ČEZ, a. s.
STATEMENT OF CHANGES IN EQUITY
FOR THE THREE MONTHS ENDED MARCH 31, 2023

In CZK Millions

	Stated capital	Treasury shares	Cash flow hedge reserve	Debt financial instruments	Equity financial instruments and other reserves	Retained earnings	Total equity
Balance as at January 1, 2022	53,799	(1,423)	(67,248)	(652)	(1,687)	133,639	116,428
Net income	-	-	-	-	-	22,712	22,712
Other comprehensive income	-	-	(21,906)	(434)	-	-	(22,340)
Total comprehensive income	-	-	(21,906)	(434)	-	22,712	372
Sale of treasury shares	-	17	-	-	-	(10)	7
Exercised and forfeited share options	-	-	-	-	(1)	1	-
Balance as at March 31, 2022	<u>53,799</u>	<u>(1,406)</u>	<u>(89,154)</u>	<u>(1,086)</u>	<u>(1,688)</u>	<u>156,342</u>	<u>116,807</u>
Balance as at January 1, 2023	53,799	(1,334)	(22,429)	(1,300)	(1,987)	171,691	198,440
Net income	-	-	-	-	-	6,376	6,376
Other comprehensive income	-	-	16,525	333	-	-	16,858
Total comprehensive income	-	-	16,525	333	-	6,376	23,234
Effect of business combination	-	-	-	-	95	451	546
Balance as at March 31, 2023	<u>53,799</u>	<u>(1,334)</u>	<u>(5,904)</u>	<u>(967)</u>	<u>(1,892)</u>	<u>178,518</u>	<u>222,220</u>

ČEZ, a. s.
STATEMENT OF CASH FLOWS
FOR THE THREE MONTHS ENDED MARCH 31, 2023

In CZK Millions

	<u>1-3/2023</u>	<u>1-3/2022</u>
OPERATING ACTIVITIES:		
Income before income taxes	18,035	28,045
Adjustments of income before income taxes to cash generated from operations:		
Depreciation and amortization	4,782	4,257
Amortization of nuclear fuel	1,051	1,036
(Gains) and losses on non-current asset retirements	4	(31)
Foreign exchange rate loss (gain)	163	2,348
Interest expense, interest income and dividend income	734	552
Provisions	5,140	3,524
Other impairment and other non-cash expenses and income	7,655	15,531
Changes in assets and liabilities:		
Receivables and contract assets	63,179	(2,396)
Materials, supplies and fossil fuel stocks	5,897	(564)
Receivables and payables from derivatives	(7,877)	(17,666)
Other assets	2,438	1,909
Trade payables	(25,721)	(6,123)
Other liabilities	3,440	1,505
Cash from operations	<u>78,920</u>	<u>31,927</u>
Income taxes paid	(511)	(8)
Interest paid, net of capitalized interest	(2,541)	(529)
Interest received	1,837	326
Net cash flow from operating activities	<u>77,705</u>	<u>31,716</u>
INVESTING ACTIVITIES:		
Acquisition of subsidiaries, associates and joint-ventures	(6,863)	(679)
Proceeds from disposal of subsidiaries, associates and joint-ventures and original investments repayments	1	501
Additions to non-current assets, including capitalized interest	(3,738)	(2,805)
Proceeds from sale of non-current assets	115	35
Loans made	(5,146)	-
Repayments of loans	6,586	289
Change in restricted financial assets	(168)	(79)
Net cash flow from investing activities	<u>(9,213)</u>	<u>(2,738)</u>

ČEZ, a. s.
STATEMENT OF CASH FLOWS
FOR THE THREE MONTHS ENDED MARCH 31, 2023

continued

	<u>1-3/2023</u>	<u>1-3/2022</u>
FINANCING ACTIVITIES:		
Proceeds from borrowings	45,182	70,482
Payments of borrowings	(60,861)	(71,200)
Payments of lease liabilities	(56)	(43)
Payment of other long-term liabilities	(3)	-
Change in payables/receivables from Group cashpooling	154	(1,783)
Dividends paid	(105)	(26)
Sale of treasury shares	-	8
Net cash flow from financing activities	<u>(15,689)</u>	<u>(2,562)</u>
Net effect of currency translation and allowances in cash	<u>(642)</u>	<u>(138)</u>
Net increase in cash and cash equivalents	52,161	26,278
Cash and cash equivalents at beginning of period	<u>33,012</u>	<u>20,804</u>
Cash and cash equivalents at end of period	<u><u>85,173</u></u>	<u><u>47,082</u></u>
 Supplementary cash flow information:		
Total cash paid for interest	2,637	563